

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In The Matter of

**Application by Verizon Pennsylvania Inc.,
Verizon Long Distance, Verizon Enterprise
Solutions, Verizon Global Networks Inc., and)
Verizon Select Services Inc. for Authorization)
to Provide In-Region, InterLATA Services in)
Pennsylvania)**

CC Docket No. 01-138

**REPLY COMMENTS
OF THE
ASSOCIATION OF COMMUNICATIONS ENTERPRISES**

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SUMMARY

The Association of Communications Enterprises ("ASCENT") hereby reiterates its opposition to the Application of Verizon Pennsylvania Inc., Verizon Long Distance, Verizon Enterprise Solutions, Verizon Global Networks Inc. and Verizon Select Services Inc. (collectively "Verizon Pennsylvania") for authority to provide in-region, interLATA service in the Commonwealth of Pennsylvania, pursuant to Section 271 of the Communications Act of 1934, as amended, 47 U.S.C. § 271. As ASCENT will demonstrate herein, Verizon Pennsylvania's offer to make available on a voluntary basis in Pennsylvania a service dubbed "Verizon DSL over Resold Lines," pursuant to which the carrier would make available, albeit on a limited basis, xDSL-based advanced services at wholesale rates for resale, does not remedy Verizon Pennsylvania's failure to fully satisfy the resale checklist item. Verizon Pennsylvania has wholly failed to demonstrate a "read[iness] to furnish [Verizon xDSL over Resold Lines] . . . in quantities that competitors may reasonably demand and at an acceptable level of quality." And the narrow grounds on which the Commission excused Verizon's lack of compliance with its xDSL-based advanced services resale obligations in granting the carrier in-region, interLATA authority in Connecticut simply do not apply in Pennsylvania. As the Commission has recognized, the unlawful restrictions Verizon has imposed on the resale of xDSL-based advanced services in Pennsylvania have "severely hinder[ed] the ability of other carriers to compete." The Commission, accordingly, cannot, and should not, grant Verizon authority to originate interLATA traffic in Pennsylvania until the carrier has complied fully with the resale checklist item. And as part of this compliance, Verizon should make resold xDSL-based advanced services available over UNE loops and through the UNE platform. There is no

technological constraint, and hence, no rationale basis, for not so extending the Commission's mandate that Verizon provide for xDSL-based advanced services on resold voice lines.

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**OPPOSITION OF THE
ASSOCIATION OF COMMUNICATIONS ENTERPRISES**

The Association of Communications Enterprises (ASCENT”), through undersigned counsel and pursuant to Public Notice, DA 01-1486 (released June 21, 2001), hereby submits the following reply comments in the above-captioned proceeding. Herein, ASCENT will address the *ex parte* submitted by Verizon on July 9, 2001 (“July 9 *ex parte*”), supplementing the application ("Pennsylvania Application") filed by Verizon Pennsylvania Inc., Verizon Long Distance, Verizon Enterprise Solutions, Verizon Global Networks Inc., and Verizon Select Services Inc. (collectively "Verizon Pennsylvania") for authority to originate interLATA service in the Commonwealth of Pennsylvania, pursuant to Section 271 of the Communications Act of 1934, as amended by the Telecommunications Act of 1996 (the “Act”).¹ In the July 9 *ex parte*, Verizon Pennsylvania offers to make available on a voluntary basis in Pennsylvania a service dubbed “Verizon DSL over Resold Lines,” pursuant to which the carrier would make available, albeit on a limited basis, xDSL-based advanced services at wholesale rates for resale. Verizon Pennsylvania’s proffer of discounted resale

¹ 47 U.S.C. § 271.

of such services was made in response to showings by ASCENT and others² that the carrier had failed to demonstrate compliance with competitive checklist item 14 because of its imposition of unreasonable, and hence unlawful, restrictions on the resale of such services.

² See, e.g., Comments of AT&T Corp. at 31 - 44; Opposition of the Competitive Telecommunications Association at 24 - 26.

Subsequent to Verizon’s submission of the *ex parte*, the Commission resolved a number of the issues implicated by the *ex parte* in its decision approving the application (“Connecticut Application”) of Verizon New York Inc., *et. al.* (“Verizon New York”), for authority to originate interLATA traffic in Connecticut.³ In the Connecticut proceeding, Verizon New York had acknowledged that it restricted in Connecticut (as it does in Pennsylvania) resale of xDSL-based advanced services to Verizon voice customers. ASCENT and others had opposed grant of the Connecticut Application on the grounds that such a restriction was unreasonable, and Verizon Connecticut, while insisting that it had no obligation to do so, had made a “voluntary” proffer to make xDSL-based advanced services available on a limited basis for resale at statutory discounts. The Commission rejected Verizon’s claim that it could lawfully limit the universe of consumers to whom xDSL-based advanced services could be resold to Verizon voice customer on the grounds that such a restriction ran afoul of the “plain language of section 251(c)(4),” and that Verizon’s rationale for the restriction was “based on a misapplication of . . . [the] Commission’s line sharing rules,” and “rest[ed] on precisely the conduct ruled unlawful by the . . . [the U.S. Court of Appeals for the District of Columbia Circuit] -- the use of an affiliate to avoid section 251(c) resale obligations.”⁴ And, accordingly, the Commission directed Verizon to “permit resale of DSL by a competitive LEC over lines on which the competitive LEC provides voice service through resale of Verizon service.”⁵

³ Application of Verizon New York Inc., Verizon Long Distance, Verizon Enterprise Solutions, Verizon Global Networks Inc., and Verizon Select Services Inc. for Authorization to Provide In-Region, InterLATA Service in Connecticut (Memorandum Opinion and Order), CC Docket No. 01-100, FCC 01-208 (July 20, 2001).

⁴ Id. at ¶¶ 28 - 33.

⁵ Id. at ¶ 33. The Commission did not address “resale of DSL service in conjunction with voice service provided using the UNE loop or UNE-P,” noting that it “raise[d] significant additional issues concerning the precise extent of an incumbent LEC’s resale obligations under the Act.” Id.

Verizon Pennsylvania's obligation to make xDSL-based advanced services "available to resellers, at a wholesale discount, the same package of voice and DSL services that it provides to its own retail end-user customers" is now clear. The only matters that remain to be addressed here are (i) the impact on the Pennsylvania Application of Verizon's failure to have done so prior to the filing of the Application and its belated halting steps to do so now, and (ii) the lawfulness of Verizon's restriction of xDSL-based advanced services resale to resold lines. ASCENT will address both of these issues below.

1. Given Verizon's Acknowledged Lack of Compliance
With the Resale Checklist Requirement, the Commission
Cannot, and Should Not, Grant the Pennsylvania Application

Of the remaining issues, the impact on the Pennsylvania Application of Verizon's failure to have implemented a functional wholesale xDSL-based advanced services resale offering presents the most clearcut answer. As ASCENT emphasized in urging the Commission to deny the Pennsylvania Application, given that an applying carrier's failure to "satisf[y] an individual checklist item of the competitive checklist constitute[s an] independent ground[] for denying . . . [an] application," the Commission is precluded from granting an application for in-region, interLATA authority until it first determines that the applying carrier is, among other things, making available its "[t]elecommunications services . . . for resale in accordance with the requirements of sections 251(c)(4) and 252(d)(3)."⁶ And as the Commission has recognized, it is expressly barred from "limit[ing]

⁶ 47 U.S.C. §§ 271(c)(2)(B), 271(d)(3). Application of Bell South Corporation, BellSouth Telecommunications, Inc., and BellSouth Long Distance, Inc., for Provision of In-Region, InterLATA Services in Louisiana (Memorandum Opinion and Order), 13 FCC Rcd. 20599, ¶ 50 (1998) (*subsequent history omitted*); Application of Bell South Corporation, BellSouth Telecommunications, Inc., and BellSouth Long Distance, Inc., Pursuant to Section 271 of the Communications Act of 1934, as amended, to Provide In-Region, InterLATA Services in Louisiana (Memorandum Opinion and Order), 13 FCC Rcd. 6245, ¶ 63 fn. 225 (1998) (*subsequent history omitted*).

. . . the terms used in the competitive checklist, or forbearing from requiring compliance with all statutory conditions under section 271.”⁷

⁷ Application by SBC Communications Inc., Southwestern Bell Telephone Company, and Southwestern Bell Communications Services, Inc. d/b/a Southwestern Bell Long Distance Pursuant to Section 271 of the Telecommunications Act of 1996 to Provide In-Region, InterLATA Service in Texas (Memorandum Opinion and Order), 15 FCC Rcd 18354, ¶ 418 (2000) (subsequent history omitted).

Critical here is what constitutes compliance with an individual checklist obligation. The Commission has addressed this matter directly, ruling that a finding of checklist compliance must be predicated on a demonstration by the applying carrier not only that “it has a concrete and specific legal obligation to furnish the item upon request pursuant to state-approved interconnection agreements that set forth prices and other terms and conditions for each checklist item,” but “*that it is currently furnishing, or is ready to furnish, the checklist item in quantities that competitors may reasonably demand and at an acceptable level of quality.*”⁸ And the Commission has made clear that “in order to gain in-region, interLATA entry, a BOC must support its application with actual evidence demonstrating its present compliance with the statutory conditions for entry, instead of prospective evidence that is contingent upon future behavior.”⁹ Indeed, the Commission has ruled that “a BOC’s promises of *future* performance to address particular concerns raised by commenters have no probative value in demonstrating *present* compliance with the requirements of section 271.”¹⁰

In its July 9 *ex parte*, Verizon acknowledges that its Verizon DSL over Resold Lines is, at best, a nascent, experimental offering whose processes have yet to be developed and whose capacity limits can charitably be described as minuscule. Thus, Verizon declares that it is capable of providing Verizon DSL over Resold Lines only “at the same level of demand it will receive in Connecticut,” a state in which the carrier serves one percent of the lines it serves in Pennsylvania.¹¹ While Verizon asserts that it has “designed an implementation plan for Pennsylvania that will strive to automate as much of the process as possible,” the

⁸ Id. at ¶ 21.

⁹ Id. at ¶ 38.

¹⁰ Id. (*emphasis in original*).

¹¹ July 9 *ex parte* at 2.

carrier concedes that it is only now “evaluating existing system restrictions in Pennsylvania that could effect the ordering, provisioning, and maintenance of Verizon DSL over Resold Lines” and has just “begun contacting resellers seeking the participation of three resellers in a cooperative production trial in Pennsylvania of the recommended systems and methodology for Verizon DSL over Resold Lines.”

Verizon admittedly still needs to “design a plan,” “select trial cases,” “develop trial procedures,” “review existing internal methods, procedures and training required for ordering, provisioning, and maintenance of . . . [Verizon DSL over Resold Lines] in Pennsylvania,” determine what “new” methods and procedures are required, and develop necessary “training requirements and materials for Verizon’s and VADI’s ordering, provisioning, and maintenance employees.”¹²

¹²

Id.

Taking Verizon at its word, workshops and training will not commence until week's end – nearly two months following the filing of the Pennsylvania Application.¹³ System changes and pre-production testing will be undertaken in the weeks following, with production trials set to commence toward month's end.¹⁴ If such trials are unsuccessful, system changes and new processes and procedures will be developed and implemented and the test redone.¹⁵

Even under the most optimistic schedule, which assumes successful production trials on the first go-around, commercial production orders will not be accepted until less than two weeks before the Commission must rule on the Pennsylvania Application.¹⁶ And prior to such Commission action, Verizon will limit “initial order volumes for LSRs . . . to 30 per business day.”¹⁷ If all goes well with the yet-to-be-developed, yet-to-be-implemented, yet-to-be-tested systems, processes and procedures, processing volumes will be increased to 100 per business day during the month following the date on which Verizon seeks Commission approval of its Pennsylvania Application, with such volumes to be capped at 200 “until systems and software enhancements can be developed

¹³ Id.

¹⁴ Id. at 3.

¹⁵ Id.

¹⁶ Id.

¹⁷ Id.

and implemented” over what Verizon anticipates will be a period of “approximately three months.”¹⁸

¹⁸

Id.

All of this, of course, with the Verizon caveat that “[t]his is an interim arrangement until a more permanent arrangement can be developed.”¹⁹

As is facially apparent, the above does not constitute a “read[iness] to furnish [Verizon xDSL over Resold Lines] . . . in quantities that competitors may reasonably demand and at an acceptable level of quality.”²⁰ Even Verizon does not attempt to argue that 30 or even 100 orders constitute the “quantities that competitors may reasonably demand.” And Verizon is so unsure of its capability to provide “an acceptable level of quality” that it argues that Verizon xDSL over Resold Lines must be “excluded from all reported performance measurements.”²¹ Finally, Verizon acknowledges

¹⁹ Id.

²⁰ Application by SBC Communications Inc., Southwestern Bell Telephone Company, and Southwestern Bell Communications Services, Inc. d/b/a Southwestern Bell Long Distance Pursuant to Section 271 of the Telecommunications Act of 1996 to Provide In-Region, InterLATA Service in Texas (Memorandum Opinion and Order), 15 FCC Rcd 18354 at ¶ 21 (*emphasis added*).

²¹ July 9 *ex parte* at 1.

that it knows so little about the systems, processes and procedures that it will use to provide Verizon xDSL over Resold Lines that it is unable to accurately cost the service at this time.²²

²² Id. at 4.

While the Commission excused Verizon’s lack of compliance with its xDSL-based advanced services resale obligations in granting the carrier’s Connecticut Application, it did so on narrow grounds which are not present in Pennsylvania. Before addressing the inapplicability here of the Commission’s Connecticut holdings, however, it is important to bear in mind that the Commission directed incumbent local exchange carriers (“LECs”) some seven months ago to “come into compliance with section 251(c)(4) in accordance with the terms of the . . . decision [of the U.S. Court of Appeals in *Association of Communications Enterprises v. Federal Communications Commission*].”²³ Instead of heeding that admonition, Verizon concocted a facially frivolous excuse for continuing to restrict the resale of xDSL-based advanced services, in so doing, violating the “plain language of section 251(c)(4),” “misappl[ying] . . . [the] Commission’s line sharing rules,” and ignoring an appellate mandate.²⁴ To afford Verizon any leeway here would be to officially sanction the use by Bell Operating Companies (“BOCs”) of virtually any legal contortion to postpone checklist compliance until such time as applications for in-region, interLATA authority have been filed, thereby hindering competitive resale activity for the longest possible time.

²³ Application by SBC Communications Inc., Southwestern Bell Telephone Company, and Southwestern Bell Communications Services, Inc. d/b/a Southwestern Bell Long Distance Pursuant to Section 271 of the Telecommunications Act of 1996 to Provide In-Region, InterLATA Service in Texas (Memorandum Opinion and Order), 15 FCC Rcd 18354 at ¶ 252. fn 768.

²⁴ Application of Verizon New York Inc., Verizon Long Distance, Verizon Enterprise Solutions, Verizon Global Networks Inc., and Verizon Select Services Inc. for Authorization to Provide In-Region, InterLATA Service in Connecticut (Memorandum Opinion and Order), CC Docket No. 01-100, FCC

In granting the Connecticut Application, the Commission applied a “no-harm-no-foul” rule, reasoning that the market directly affected was so small that the competitive damage done by Verizon’s refusal to honor its resale obligations with respect to xDSL-based advanced services was minimal. As explained by the Commission, “a number of special circumstances” supported its action.²⁵ For example, the Commission cited as a “unique circumstance . . . a service area of only approximately 60,000 lines.”²⁶ The Commission also emphasized that because “tariff revisions have become effective,” and “new internal procedures for order processing are also in effect,” the Connecticut Application did “not involve consideration of promises of future action.”²⁷ And the Commission expressed its belief that “[t]he volume of orders for the expanded DSL resale offering in Connecticut . . . [was] likely to be very small and Verizon . . . [would] be able to process orders within a reasonable period of time using the interim manual process.”²⁸

Having noted all of these “special circumstances,” the Commission made clear that its assessment of Verizon’s compliance with the resale checklist item would be different in their absence. And in Pennsylvania, none of these “special circumstances” are present. As Verizon itself acknowledges, it serves “more than 100 times” the number of access lines in Pennsylvania than it serves in Connecticut.”²⁹ Verizon itself has acknowledged that it will not be able to handle commercial volumes of orders prior to Commission action on its Pennsylvania Application and

²⁵ Id. at ¶ 36.

²⁶ Id. at ¶ 40.

²⁷ Id. “[T]he revisions to VADI’s internal processes now permit a competitive LEC to resell DSL over a line on which the competitive LEC provides voice service to the end user through resale of Verizon service.” Id. at ¶ 39.

²⁸ Id. at ¶ 40.

²⁹ July 9 *ex parte* at 3.

cannot provide assurances that it will be able to do so promptly thereafter.³⁰ Moreover, Verizon concedes that its systems, processes and procedures have not been implemented and tested, and hence that commercial resale of xDSL-based advanced services, free of unlawful restrictions, is not possible.³¹

³⁰ Id. at 3.

³¹ Id. at 2.

Further influencing its decision to treat Verizon's lack of resale checklist compliance leniently in Connecticut was the Commission's erroneous view that it shared some culpability in the carrier's action because it "required Verizon to provide advanced services through a separate affiliate under the *GTE/Bell Atlantic Merger Conditions Order*."³² The Commission's sense of responsibility, however, laudable it might be, is misplaced. Verizon was not prohibited from making xDSL-based advanced services available for unrestricted discounted resale. Verizon's only obligation under the merger conditions endorsed by the Commission was to provide such services through a structurally-separate affiliate.³³ Verizon simply exploited the opportunity it perceived the structural separation provided it to avoid its resale obligations as they related to xDSL-based

³² Application of Verizon New York Inc., Verizon Long Distance, Verizon Enterprise Solutions, Verizon Global Networks Inc., and Verizon Select Services Inc. for Authorization to Provide In-Region, InterLATA Service in Connecticut (Memorandum Opinion and Order), CC Docket No. 01-100, FCC 01-208 at ¶ 41.

³³ Application of GTE Corporation, Transferor, and Bell Atlantic Corporation, Transferee, for Consent to Transfer Control of Domestic and International 214 and 310 Authorizations and Application to Transfer Control of a Submarine Cable Landing License (Memorandum Opinion and Order), 15 FCC Rcd.

advanced services. Verizon should not be rewarded for exploiting an unlawful advantage.

14032, Appendix D, Section I (2000) (*subsequent history omitted*)

As the Commission has recognized, the unlawful restrictions Verizon had imposed (and in Pennsylvania continues to impose) on the resale of xDSL-based advanced services “prevent[ed] competitive resellers from providing both DSL and voice services to their customers, while Verizon . . . [was] able to offer both together to its customers.”³⁴ This lack of parity “severely hinder[ed] the ability of other carriers to compete.”³⁵ The Commission is well aware of the importance of the ability to provide the same quality service offerings provided by incumbent LECs to the successful entry by resale carriers into the advanced services market.”³⁶ Indeed, as the Commission has repeatedly acknowledged, “[t]o compete effectively in the local exchange market, new entrants must be able to provide service to their customers at a quality level that matches the service provided by the incumbent LEC.”³⁷

³⁴ Application of Verizon New York Inc., Verizon Long Distance, Verizon Enterprise Solutions, Verizon Global Networks Inc., and Verizon Select Services Inc. for Authorization to Provide In-Region, InterLATA Service in Connecticut (Memorandum Opinion and Order), CC Docket No. 01-100, FCC 01-208 at ¶ 32.

³⁵ Id.

³⁶ In the Matter of Deployment of Wireline Services Offering Advanced Telecommunications Services (Second Report and Order), 14 FCC Rcd. 19237, ¶ 20 (1999) (*subsequent history omitted*).

³⁷ Application of BellSouth Corporation, et al. Pursuant to Section 271 of the Communications Act of 1934, as amended, to Provide In-Region, InterLATA Services in South Carolina (Memorandum Opinion and Order), 13 FCC Rcd. 539, ¶ 82 (1997) (*subsequent history omitted*). It is one thing to be satisfied under the Commission’s no-harm-no-foul approach, which reflects the limited market size in Connecticut, with an “expectation” that various deficiencies in Verizon DSL over Resold Lines -- *e.g.*, a prohibition on “process[ing] orders for DSL resale” until the submitting resale carrier is already the voice provider, and “disconnect[ion of] resold DSL service if the customer switches from the reseller back to Verizon as the underlying voice provider,” and exclusion of “Verizon’s performance in providing this expanded resale offering” from performance data -- will eventually be cured. Application of Verizon New York Inc., Verizon Long Distance, Verizon Enterprise Solutions, Verizon Global Networks Inc., and Verizon Select Services Inc. for Authorization to Provide In-Region, InterLATA Service in Connecticut (Memorandum Opinion and Order), CC Docket No. 01-100, FCC 01-208 at ¶ 42. The impact of these deficiencies in a market 100 times larger, however, cannot be so easily dismissed. The adverse competitive impacts that might be tolerable in a tiny market take on a far more dramatic role in a substantially larger market.

By means of the unlawful restrictions it has imposed on the resale of xDSL-based advanced services, Verizon has hindered resale competition. Because the systems, processes and procedures associated with Verizon DSL over Resold Lines have not been fully developed, implemented, or tested, competitors relying on resale will continue to be disadvantaged in Pennsylvania and elsewhere.³⁸ Given these circumstances, and the carrier's acknowledged continued noncompliance with its resale checklist obligations, the Commission cannot, and should not, grant Verizon interLATA authority in Pennsylvania.

2. Resale of xDSL-based Advanced Services Should Not Be Provided Only in Conjunction with Resold Lines

³⁸ Apart from the inchoate state of Verizon's wholesale xDSL-based advanced services offering, resale carriers now must secure, install and learn to operate new interfaces to access, maintain and bill for the offering. July 9 *ex parte* at 1.

In its decision granting Verizon’s Connecticut Application, the Commission made clear that Verizon (and other incumbent LECs) are “required to allow a competitive LEC to resell DSL service over lines on which the competitive LEC resells Verizon’s voice service.”³⁹ The Commission stopped short of extending this obligation to the resale of xDSL-based advanced services over loops obtained as unbundled network elements (“UNEs”) or loops secured as part of the UNE platform. The Commission did not, however, foreclose such extension; rather it expressed concern that “resale of DSL service in conjunction with voice service provided using the UNE loop or UNE-P raises significant additional issues concerning the precise extent of an incumbent LEC’s resale obligations under the Act” and elected not to resolve the matter.⁴⁰

³⁹ Application of Verizon New York Inc., Verizon Long Distance, Verizon Enterprise Solutions, Verizon Global Networks Inc., and Verizon Select Services Inc. for Authorization to Provide In-Region, InterLATA Service in Connecticut (Memorandum Opinion and Order), CC Docket No. 01-100, FCC 01-208 at ¶ 28.

⁴⁰ Id. at ¶ 33.

ASCENT submits that the xDSL-based advanced services resale obligations of an incumbent LEC are no different whether the service is resold in conjunction with resold voice service or voice service offered over a UNE loop or through the UNE platform. The text of Section 251(c)(4) is straightforward -- an incumbent LEC must “offer for resale at wholesale rates any telecommunications service that the carrier provides at retail to subscribers who are not telecommunications carriers,” and may not “impose unreasonable or discriminatory conditions or limitations on the resale of such telecommunications service.”⁴¹ The Commission has found that Verizon through Verizon Advanced Data, Inc. (“VADI”), offers xDSL-based advanced services “on a retail basis.”⁴² The xDSL-based advanced service Verizon would provide over a UNE loop or through the UNE platform would be the same service it would provide to end-users and to resale carriers. Section 251(c)(4) draws no distinctions as to different modes of service delivery; its mandate is unequivocal. Accordingly, absent a technological constraint on an incumbent LEC’s ability to resell xDSL-based advanced services over a UNE loop or through the UNE platform, a

⁴¹ 47 U.S.C. § 251(c)(4).

⁴² Application of Verizon New York Inc., Verizon Long Distance, Verizon Enterprise Solutions, Verizon Global Networks Inc., and Verizon Select Services Inc. for Authorization to Provide In-Region, InterLATA Service in Connecticut (Memorandum Opinion and Order), CC Docket No. 01-100, FCC 01-208 at ¶ 30.

refusal to provide for discounted resale of such services would constitute a facially unreasonable restriction on resale.

ASCENT submits that the technical feasibility of providing resold xDSL-based advanced services over a UNE loop or through the UNE platform is manifest. The physical facilities used to provide resold xDSL-based advanced services in conjunction with resold voice service, on the one hand, and in conjunction with UNE loops or the UNE platform, on the other hand, are the same. The resold xDSL-based advanced service would be provided to a competitive LEC providing voice service over a UNE loop or through the UNE platform in much the same way that VADI provides such service to end users in conjunction with Verizon's voice service. No central office wiring changes would be needed to provide resold xDSL-based advanced service in conjunction with a UNE platform offering; with respect to such an offering made in conjunction with a UNE loop, a simple cross-connect between the competitive LEC's collocation cage to the VADI data network would be needed. In short, if Verizon can provide line sharing and facilitate line splitting, as it must under the Commission's rules,⁴³ it can provide resold xDSL-based advanced service in conjunction with voice service provided over a UNE loop or through the UNE platform.

As is apparent, there is no technological constraint, and hence, no rationale basis for not extending the Commission's ruling that Verizon must allow competitive LECs to resell xDSL-based advanced services over lines on which the competitive LEC resells Verizon voice service to UNE loops and UNE platform lines similarly used by the competitive LEC to provide voice service.

3. Conclusion

⁴³ 47 C.F.R. § 319(h); Deployment of Wireline Services Offering Advanced Telecommunications Capability (Third Report and Order on Reconsideration), 16 FCC Rcd. 2101, ¶¶ 17 - 25 (2001) (*subsequent history omitted*). .

By reason of the foregoing, the Association of Communications Enterprises hereby reiterates its recommendation that the Commission deny as premature the application of Verizon Pennsylvania Inc., Verizon Long Distance, Verizon Enterprise Solutions, Verizon Global Networks

Inc., and Verizon Select Services Inc. for authority to originate interLATA traffic in the Commonwealth of Pennsylvania, and to require, as mandated by Section 271(9)(3) of the Act, full compliance with the competitive checklist before Verizon is granted such authority.

Respectfully submitted,

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